

LACP Fund boosts Welltec's FinWellTech dominance

Legacy Africa Capital Partners' (LACP) Fund 1 have announced a significant investment for a minority stake in Welltec, a leading financial wellness technology (FinWellTech) firm.



Source: WeWork.

This investment strengthens Welltec's position in the market, allowing it to expand its bespoke financial wellness programmes targeted at financial and fintech organisations.

This investment arrives at a pivotal moment, as South Africans navigate a landscape of financial stress marked by high debt levels and an ailing economy. In these challenging financial circumstances, many consumers are turning to personal loans as a crucial lifeline, supplementing their income with unsecured credit.

Welltec's FinWellTech software plays a pivotal role in developing configurable, personalised financial wellness programmes that guide individuals to financial wellbeing.

“The investment in Welltec represents a strategic move for LACP, aligning with our commitment to fostering innovative solutions in the financial technology space. We are impressed by Welltec's adept and diverse management team which brings deep corporate finance knowledge and extensive experience in financial industries,” says Kelebantswe Morare, senior associate at LACP.

"This partnership not only strengthens Welltec's market position but also aligns with our goal of supporting enterprises with the potential to make significant impacts in their sectors. We believe Welltec's leadership, under the guidance of Johannes Jonck, Richard Charrington, Gert Jonck and Obed Tongoane, is well-equipped to steer the company towards new heights in the FinWellTech domain."

The financial struggles of South Africans are deeply intertwined with a lack of financial literacy and support.

Addressing financial stress

PwC's 2023 [Employee Financial Wellness Survey](#) reports that 57% of employees said that finances are the top cause of stress in their lives. This clear correlation between financial and overall stress underscores the necessity for effective financial-management solutions.

Welltec's products cater to this need by enabling users to manage personal finances, track spending, and set realistic financial goals, aiming to alleviate the financial burdens that are detrimentally impacting various aspects of life for many in South Africa.

"This investment from LACP marks a pivotal moment in Welltec's journey to solve employee over-indebtedness. It enables us to further solidify our position as a leader in financial wellness technology.

"With this support, we aim to expand our reach, enhance our product offerings, and continue innovating in ways that meet the evolving needs of our customers. This funding will not only help in scaling our bespoke financial wellness solution to blue-chip employers but also in securing our future," says Gert Jonck, chief executive officer of Welltec.



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The Welltec platform automates the complex process of restructuring consumer debt. The process starts with obtaining and confirming data, then restructuring and managing the debt-restructuring plan to eventually enable consumers to obtain good debt, such as vehicles and homes.

Client-centric innovation

This is an effective solution which is tailor-made to the consumer's unique situation by applying strict rule-based decision-making logic. Consumers in general are exposed to service providers who are conflicted by selling their proprietary products. Welltec is product agnostic and client-centric to ensure that the consumer's interest is always put first.

"This substantial investment from LACP is a testament to our growth and potential in the FinWellTech industry. We are excited about the future as this investment provides us with the resources needed to expand our product suite and strengthen our commitment to delivering exceptional digital experiences to secure a robust position in the market," comments Johan Jonck, chairman of Welltec.

"Our investment in Welltec underscores LACP's dedication to nurturing homegrown South African solutions. We believe in the power of local innovation to address local problems, build essential skills, and create job opportunities.

"Welltec, with its focus on financial wellness and technology, is an exemplary model of this vision. Its work not only addresses critical financial challenges faced by South Africans but also contributes to the growth and development of the tech industry in the region, making a meaningful impact on the economy and society," concludes Morare.

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